

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

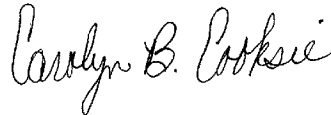
Notice FLP-28

1940-L

For: State and County Offices

Farm Loan Funding

Approved by: Deputy Administrator, Farm Loan Programs



1 Overview

A

Background

Unobligated FY 1999 allocations of guaranteed operating with interest assistance, guaranteed farm ownership, and direct farm ownership loan funds from each State Office will be pooled.

Portions of FY 1999 farm loan allocations were targeted for beginning farmer applicants. These targets will be lifted on April 1, 1999.

A National Reserve of Program Loan Cost Expense (PLCE) "A" funds is available for distribution to States that have exhausted their available allocation.

B

Purpose

This notice provides:

- that date pooling actions will be accomplished
- information on disposition of pooled funds
- changes in targeting requirements that occur during FY
- guidance in movement of loan funds between categories
- requirements for obtaining additional PLCE program account "A" funds.

C

Contact

Direct questions about this notice to LMD.

Disposal Date

October 1, 1999

Distribution

State Offices; State Offices relay to County Offices

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2 FLP Funds

A

Targeting No Longer Required

Effective April 1, 1999, the required targeting of funds for beginning farmers under the following loan programs is no longer in effect:

- Guaranteed Operating - Unsubsidized
- Guaranteed Operating With Interest Assistance
- Guaranteed Farm Ownership.

Note: Unused funds that were targeted for exclusive use by beginning farmers in these programs may be used by any eligible applicant.

On April 1, 1999, in the Direct Farm Ownership Loan Program, unused beginning farmer downpayment loan funds become available for any beginning farmer loan purpose. These funds lose their “downpayment” identity, but retain their “beginning farmer” status.

B

Requesting Movement of Funds

Effective April 1, 1999, movement of loan funds between the various affected loan categories will be accomplished on a request basis.

Continued on the next page

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2 FLP Funds (Continued)

C

Pooling of Loan Funds

Follow this table for pooling of loan funds.

Program	Pooling Date	Funds Affected
Guaranteed Operating With Interest Assistance	COB March 1, 1999	All unused funds not targeted for SDA or beginning farmer
	COB April 12, 1999	All unused funds not targeted for SDA farmers
Guaranteed Farm Ownership	COB March 15, 1999	All unused funds not targeted for SDA or beginning farmer
	COB April 12, 1999	All unused funds not targeted for SDA farmers
Direct Farm Ownership	COB May 3, 1999	All unused funds

All pooled funds will be held in the National Reserve. Requests for reserve funds must include information in Notice FLP-14.

Requests for funds that were submitted before issuance of this notice do not need to be resubmitted. Full consideration will be given to requests that are being held by the National Office.

3 PLCE Funds

A

Reserve Disbursements

National Reserve funds in the "A" account will be allotted to States for credit reports and appraisal activities only. Requests for additional funds must indicate proposed use of funds. Solicitation of reserve funds for appraisals should indicate whether the contractual funds are for loan making or shared appreciation agreements, and the number of appraisals to be performed.
